

Financial and Operative Report

Third Quarter, 2021

Publication date: October 25th, 2021

Global Portfolio:

18,875

sites in revenues

Opsimex

8,052 (42.7%)

Fibra

10,516 (55.7%)

Costa Rica

307 (1.6%)

Δ Portfolio:

3Q21 vs. 3Q20

5.07%

Tenancy Ratio

1.213

Additional Rents

2,678

12 Clients

Telesites, S. A. B. de C. V. (“Telesites” or the “Company”) reports its financial and operating results as of third quarter of 2021.

Period Highlights

- During the assembly held on September 28th, a 1,500 million pesos dividend was approved. Payment of such dividend will be executed on October 29th.
- During October, FSITES decreed a dividend of 182.9 million pesos, corresponding to the 2021’s third quarter fiscal results.
- As of today, Telesites has a total of 2,678 additional rents with 12 clients.

Results

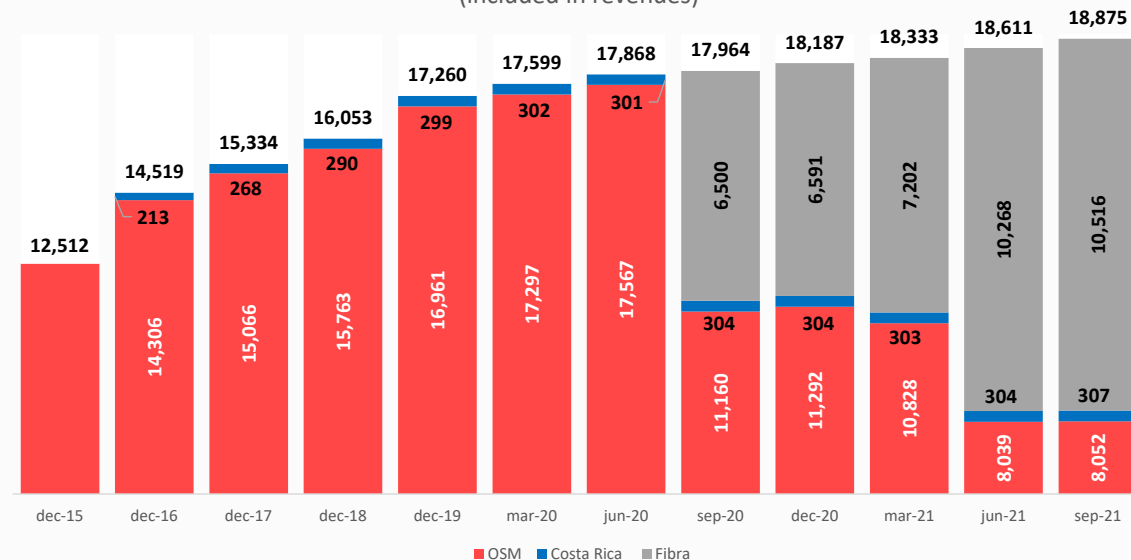
As of the third quarter of 2021, Telesites reports a global portfolio of 18,875 sites included in revenues, meaning an increase of 264 sites vis a vis previous quarter.

The site distribution structure included in the company's revenues is made up of 8,052 sites in Opsimex (42.7%), 10,516 sites in FSITES (55.7%), and 307 sites in Costa Rica (1.6%).

Observed increase for the last twelve months was of 911 sites, equivalent to 5.07% growth. Currently, 309 sites are on some stage into building process.

Total Towers

(included in revenues)



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Revenues 3Q21:

2,163.6

million pesos

Δ Revenues

3Q21 vs. 3Q20:

6.2%

EBITDA 3Q21

2,051.0

million pesos

EBITDA Margin

3Q21

94.8%

Δ EBITDA

3Q21 vs. 3Q20:

5.6%

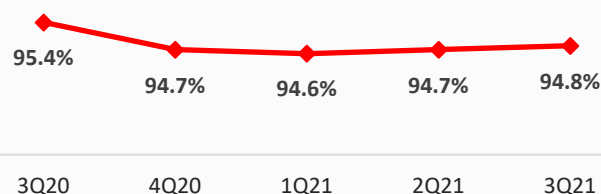
(MM\$MX)	3Q20	4Q20	2020	1Q21	2Q21	3Q21	3Q21 VS 3Q20
Revenues	2,036.7	2,041.8	8,069.6	2,111.3	2,134.8	2,163.6	6.2%
Land rent	617.1	618.5	2,466.7	616.9	620.0	630.4	2.2%
Site revenues	1,419.7	1,423.4	5,602.9	1,494.4	1,514.8	1,533.3	8.0%
Total Costs and Expenses	94.4	109.1	402.7	114.5	112.5	112.7	19.3%
Land rent	-	-	-	-	-	-	-
Administrative and operating expenses:	94.4	109.1	402.7	114.5	112.5	112.7	19.3%
Administrative expenses	75.3	82.9	308.2	82.3	80.3	86.6	15.0%
Operating expenses	19.1	26.3	94.5	32.2	32.2	26.0	36.2%
EBITDA	1,942.3	1,932.7	7,666.9	1,996.7	2,022.3	2,051.0	5.6%

Accumulated revenues during the third quarter were 2,163.6 million pesos, of which 1,533.3 million pesos came from tower income (70.9%). Revenues were 6.2% higher compared the same quarter of the previous year.

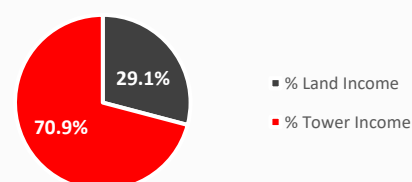
EBITDA for the period was 2,051.0 million pesos, resulting in a 94.8% margin, and a compared growth of 5.6% to the same quarter the previous year. Accumulated EBITDA for last twelve months was 8,002.7 million pesos.

Revenues reported by FSITES in 3Q21 were 1,188.9 million pesos, of which 860.5 million pesos came from Site Revenues (72.4%). The corresponding EBITDA to the third quarter of 2021 was 1,113.2 million pesos, resulting in a 93.6% margin.

EBITDA Margin (QoQ)



Revenues 3Q21



Quarterly Breakdown of Telesites's Tower Leases

		3Q21
Mexico	Sites included in revenues EOP	18,568
	Total quantity of rents included in revenues EOP	22,579
Costa Rica	Sites included in revenues EOP	307
	Total quantity of rents included in revenues EOP	319
Consolidated	Sites included in revenues EOP	18,875
	Rents included in revenues EOP: AMX	18,875
	Rents included in revenues EOP: AMX adds (equival	1,345
	Rents included in revenues EOP: Others	2,678
	Total rents included in revenues EOP	22,898
	Tenancy ratio EOP	1.213

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Consolidated statements of Financial Position (in thousands of mexican pesos)

	As of Sep 30th 2021		As of Sep 30th 2020		3Q21 vs. 3Q20
Assets					
Current Assets					
	1,029,371	1.1%	7,806,381	9.0%	(86.8)%
Cash and equivalents	13,114,649	13.5%	-	0.0%	N/A
Accounts Receivable	407,332	0.4%	196,579	0.23%	107.2 %
Recoverable taxes	2,098,090	2.2%	5,260,262	6.1%	(60.1)%
Total current assets	16,649,442	17.1%	13,263,222	15.3%	25.5 %
Non-current assets					
Towers, construction and others	74,531,243	76.5%	70,068,094	80.7%	6.4 %
Property and equipment, net	95,795	0.1%	77,136	0.1%	24.2 %
Depreciation	(9,050,848)	(9.3)%	(9,044,246)	(10.4)%	0.1 %
Rights of use	18,069,345	18.6%	14,468,418	16.7%	24.9 %
Rights of use depreciation	(3,132,886)	(3.2)%	(2,295,996)	(2.6)%	36.4 %
Total non-current assets	80,512,649	82.7%	73,273,407	84.4%	9.9 %
Deferred tax assets	63,604	0.1%	135,671	0.2%	(53.1)%
Other assets	150,528	0.2%	135,863	0.2%	10.8 %
Total assets	97,376,224	100%	86,808,163	100%	12.2 %
Liabilities and equity					
Short term liabilities					
Short term debt	-	0.0%	2,992,971	3.4%	(100.0)%
Accounts payable	387,343	0.4%	542,396	0.6%	(28.6)%
Taxes payable	236,286	0.2%	282,858	0.3%	(16.5)%
Interests payable	217,674	0.2%	214,604	0.2%	1.4 %
Total short term liabilities	841,303	0.9%	4,032,830	4.6%	(79.1)%
Long term liabilities					
Long term debt	19,342,402	19.9%	18,886,188	21.8%	2.4 %
Leases liabilities	15,870,242	16.3%	12,730,479	14.7%	24.7 %
Deferred income taxes	16,060,892	16.5%	14,802,119	17.1%	8.5 %
Asset retirement obligation	1,047,740	1.1%	1,008,855	1.2%	3.9 %
Other liabilities	11,936	0.0%	10,393	0.0%	14.8 %
Total long term liabilities	52,333,213	53.7%	47,438,035	54.6%	10.3 %
Total liabilities	53,174,516	54.6%	51,470,865	59.3%	3.3 %
Equity					
Share capital	24,191	0.0%	35,000	0.0%	(30.9)%
Surplus	11,135,472	11.4%	14,866,255	17.1%	(25.1)%
Other components of equity	16,649,978	17.1 %	7,834,181	9.0 %	112.5 %
Conversion effect	(27)	(0.0)%	3,603	0.0 %	(100.7)%
Noncontrolling interest	16,194,134	16.6 %	12,043,862	13.9 %	34.5 %
Net income for the year	197,959	0.2 %	554,397	0.6 %	(64.3)%
Total Equity	44,201,708	45.4%	35,337,297	40.7%	25.1 %
Total liabilities and equity	97,376,224	100%	86,808,163	100%	12.2 %

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Consolidated statements of Comprehensive Income

(in thousands of mexican pesos)

	From Jul 1st to Sep 30th 2021	From Jul 1st to Sep 30th 2020	3Q21 vs. 3Q20
Revenues	2,163,635	2,036,727	6.2%
Land	630,375	617,053	2.2 %
Tower	1,533,260	1,419,675	8.0 %
Expenses	(1,421,874)	(1,276,366)	11.4%
Administration and Operating Expenses	(112,675)	(94,434)	19.3 %
Depreciation and Amortization	(882,112)	(736,144)	19.8 %
Depreciation - IFRS 16	(427,086)	(445,787)	(4.2)%
Operating Result	741,761	760,362	(2.4)%
Financial Expenses	(448,223)	(506,864)	(11.6)%
Other Income	189,628	319,376	(40.6)%
Interests - IFRS 16	(337,999)	(286,494)	18.0 %
	(596,594)	(473,982)	25.9 %
Loss Before Income Taxes	145,167	286,379	(49.3)%
Current Income Taxes	(90,130)	(193,441)	(53.4)%
Deferred Taxes	70,673	276,761	(74.5)%
	(19,457)	83,320	(123.4)%
Net Income	125,710	369,700	(66.0)%
EBITDA	2,050,959	1,942,293	5.6 %
Non-controlling interest	(59,419)	(7,081)	739.1 %
Net Majority Result	66,291	362,619	(81.7)%

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Telesites, S. A. B. de C. V.

Consolidated statements of Cash Flows (in thousands of mexican pesos)

	From January 1st to Sep 30th 2021	From January 1st to Sep 30th 2020	3Q21 vs. 3Q20
Operating activities			
Net income	365,832	561,478	(34.8)%
Taxes	53,054	96,072	(44.8)%
Interest gained and paid, net	1,975,048	2,052,858	(3.8)%
Depreciation and Amortization	3,746,723	3,257,813	15.0%
Account receivables	(171,061)	(160,931)	6.3 %
Other accounts receivables	(503)	(5,197,684)	(100.0)%
Account payable	(19,772)	160,931	(112.3)%
Dividends paid	(56,998)		N/A
Income taxes paid	2,590,153	(512,194)	(605.7)%
	8,482,476	258,343	3,183.4 %
Investment activities			
Property, equipment and site construction	(917,301)	(989,817)	(7.3)%
Intangible asset acquisitions	(4,550)	(2,706)	68.1 %
Interest gain	539,841	130,866	312.5%
	(382,010)	(861,657)	(55.7)%
Financing activities			
	2,964,796	12,036,781	(75.4)%
Loans	700,000	3,000,000	(76.7)%
Loans paid	(3,700,000)	(4,500,000)	(17.8)%
Interest paid	(1,324,468)	(1,446,118)	(8.4)%
Leases liabilities payments	(1,947,620)	(1,914,919)	1.7%
	(3,307,292)	7,175,744	(146.1)%
Net increase in cash and cash equivalents	4,793,174	6,572,430	(27.1)%
Cash at the beginning of the period	9,350,846	1,233,951	657.8%
Cash at the end of the period	14,144,020	7,806,381	81.2%

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